
Tobin & Co.

Milton Township

Antrim County, Michigan

Audit Report

For the Year Ended March 31, 2004

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

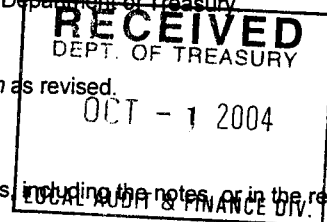
Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Milton Township	County Antrim
Audit Date 3/31/04	Opinion Date 9/28/04	Date Accountant Report Submitted to State: 9/30/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations.

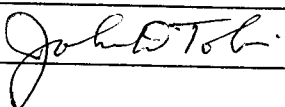


You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) Tobin & Co., PC			
Street Address 400 E. Eighth Street		City Traverse City	State MI
Accountant Signature 		ZIP 49686	Date

Tobin & Co.

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INTRODUCTORY SECTION

Tobin & Co.

Comments and Recommendations

We have audited the general purpose financial statements of Milton Township, Antrim County, for the year ended March 31, 2004 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Milton Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

General

The accounting records were in satisfactory condition for the year. The current accounting software appears to be functioning correctly. The Treasurer continues to maintain her Treasurer account records on Microsoft Excel software, and this process is operating as intended.

Internal Control Weakness

The Treasurer is an officer at the Township bank. While the dual capacity as the Township Treasurer and Township banker is unusual, it does create limitations within the system of internal control, and the Board should continue to be aware of the situation.

Budgets and Procedures

The Township prepared and adopted budgets for all Funds. In the General Fund, several cost centers exceeded their expenditure budgets, and budgets for the Park and Liquor Law Enforcement Funds exceeded budgeted amounts. This violates the provisions of the Uniform Budgeting Act, and greater care should be exercised in the future over this important area.

It does not appear that actual expenditures are periodically compared with budgets. This should be done monthly and amendments to budgets should be adopted when necessary.

Bank Accounts

All Township deposits are at one bank, and of those funds \$693,087 is uninsured by the Federal Deposit Insurance Corporation at March 31, 2004. While we are not recommending any modification to existing bank relationships, the Board should continue to be aware of this fact and monitor the safety of the Township's assets.

Tobin & Co.

Comments and Recommendations

Bank Accounts (continued)

Several years ago, we helped set up a spreadsheet for the Treasurer to use to keep track of cash balances. The Treasurer is reconciling the bank accounts each month on a timely basis, and her efforts in this important area are commendable. However, it did not appear that these balances were reconciled to the general ledger during the year. This process is necessary to help insure that the Clerk's financial records are accurate.

We have made arrangements with the Clerk to start the reconciliation process.

General Fund

This Fund is presented on Schedule 1. Expenditures included \$18,201 for Debt Service. The Fund balance decreased during the year by \$116,623 and amounted to \$472,592 at March 31, 2004.

Fire Fund

This Fund, presented on Schedule 4, is used to account for the special voted levy for fire protection. The Fund balance increased by \$87,376 during the year, and the ending Fund balance was \$299,010.

Liquor Law Enforcement Fund

This Fund, presented on Schedule 5, is used to account for liquor license refunds from the State of Michigan. These fees may be used only to enforce the State Liquor Laws. The Fund balance at March 31, 2004 was \$6,398.

Park Fund

This Fund, presented on Schedule 6, was created to account for transactions relating to the Township park. Revenues amounted to \$13,716. The Fund balance at March 31, 2004 was \$3,631.

Special Revenue Funds

The Township should create a Special Revenue Fund to account for road taxes collected and expenditures of those funds. The new fund will be similar to the Fire Fund.

Capital Projects Fund

During the year a special assessment district was created to fund Weathertop Road improvements. Bonds totaling \$335,000 were sold to a local bank. Expenditures of \$297,440 were made during the fiscal year. Collection of the special assessments will fund the required debt service.

Tobin & Co.

Comments and Recommendations

Property Tax Administration Fees

As permitted by statute, Milton Township levied a 1% administration fee on all 2003 property taxes. This fee may be used only for such property tax administration expenses as assessing, collecting and the review and appeal process. As noted on Schedule 10, the accumulated excess of expenses over fee collections at March 31, 2004 was \$39,502. Costs allocated to the administration fee should be reviewed each year.

Property Tax Collections

The collection and distribution of the 2003 tax levy was handled in an excellent manner by the Township Treasurer. Paid receipts were filed in order of payment, deposits were made timely and intact, and timely distributions were made to taxing units during the collection period.

General Fixed Assets

The Clerk maintains a general ledger account of general fixed assets (land, buildings, equipment) and an inventory file. It is essential that these records be updated annually. See Note 4 for a Statement of Changes in General Fixed Assets for the audit year.

Insurance and Surety Bond Coverage

Records reflect that the Township has such insurance coverage as fire and casualty, general liability, errors and omissions, equipment and workmen's compensation. Coverage was reviewed during the audit year. The Clerk, Treasurer, Deputy Clerk, Deputy Treasurer have surety bond coverage.

Inter-Fund Loans

There were no inter-fund loans during the year.

Payroll Records

Payroll records appeared to be in proper order. Computerized records are now being utilized.

Other Data

We were pleased to note the use of interest bearing accounts which resulted in earned interest of nearly \$20,000 for the audit year. We commend efforts of the Treasurer and Board members in this important area of financial management.

After the completion of our audit, we will mail the necessary copies of our report to the State Department of Treasury.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

Tobin & Co.

FINANCIAL SECTION

Tobin & Co.

REPORT OF INDEPENDENT AUDITOR

To the Township Board
Milton Township
Antrim County
Kewadin, Michigan 49648

We have audited the accompanying general purpose financial statements of Milton Township as of and for the year ended March 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of such funds of Milton Township at March 31, 2004, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The individual fund and account group financial statements and schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the general purpose financial statements of Milton Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Tobin & Co., P.C.

TOBIN & CO., P.C.
Certified Public Accountants
September 28, 2004

Combined Balance Sheet – All Fund Types and Account GroupsMarch 31, 2004

<u>Assets</u>	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects Fund</u>
Cash	\$ 473,501	\$ 309,039	\$ 38,257
Taxes Receivable – Delinquent	11,767	9,562	-
Land and Improvements	-	-	-
Buildings and Improvements	-	-	-
Machinery and Equipment	-	-	-
Amount to be Provided – Debt Principal	-	-	-
Total Assets	<u>\$ 485,268</u>	<u>\$ 318,601</u>	<u>\$ 38,257</u>
<u>Liabilities and Fund Equity</u>			
Liabilities:			
Payroll Withholdings	\$ 909	\$ -	\$ -
Contract/Note Payable	-	-	-
Undistributed Taxes	-	-	-
Deferred Revenue	<u>11,767</u>	<u>9,562</u>	<u>-</u>
Total Liabilities	<u>12,676</u>	<u>9,562</u>	<u>-</u>
Fund Equity:			
Investment in General Fixed Assets	-	-	-
Fund Balance	<u>472,592</u>	<u>309,039</u>	<u>38,257</u>
Total Fund Equity	<u>472,592</u>	<u>309,039</u>	<u>38,257</u>
Total Liabilities and Fund Equity	<u>\$ 485,268</u>	<u>\$ 318,601</u>	<u>\$ 38,257</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Fiduciary Fund Types	Account Groups		
	General	Long-Term	Total
Agency	Fixed Assets	Debt	(Memo Only)
\$ 12,490	\$ -	\$ -	\$ 833,287
-	-	-	21,329
-	568,090	-	568,090
-	821,989	-	821,989
-	941,476	-	941,476
-	-	381,001	381,001
<u>\$ 12,490</u>	<u>\$ 2,331,555</u>	<u>\$ 381,001</u>	<u>\$ 3,567,172</u>
\$ -	\$ -	\$ -	\$ 909
-	-	381,001	381,001
12,490	-	-	12,490
-	-	-	21,329
<u>12,490</u>	<u>-</u>	<u>381,001</u>	<u>415,729</u>
-	2,331,555	-	2,331,555
-	-	-	819,888
-	2,331,555	-	3,151,443
<u>\$ 12,490</u>	<u>\$ 2,331,555</u>	<u>\$ 381,001</u>	<u>\$ 3,567,172</u>

Tobin & Co.

Milton Township

Exhibit B

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types

For the Year Ended March 31, 2004

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Total (Memo Only)</u>
<u>Revenues</u>				
Taxes	\$ 416,061	\$ 201,418	\$ -	\$ 617,479
Grants	140,055	-	-	140,055
Charges for Services	29,052	10,886	-	39,938
Interest and Rents	14,330	6,306	697	21,333
Other	<u>9,204</u>	<u>9,418</u>	<u>-</u>	<u>18,622</u>
Total Revenues	<u>608,702</u>	<u>228,028</u>	<u>697</u>	<u>837,427</u>
<u>Expenditures</u>				
Legislative	58,382	-	-	58,382
General Government	147,510	-	-	147,510
Public Safety	150,959	92,609	-	243,568
Public Works	71,800	-	297,440	369,240
Recreation and Culture	189,877	11,713	-	201,590
Other	77,435	-	-	77,435
Debt Service	18,201	12,568	-	30,769
Capital Outlay	<u>11,161</u>	<u>73,226</u>	<u>-</u>	<u>84,387</u>
Total Expenditures	<u>725,325</u>	<u>190,116</u>	<u>297,440</u>	<u>1,212,881</u>
<u>Excess Revenues (Expenditures)</u>	<u>(116,623)</u>	<u>37,912</u>	<u>(296,743)</u>	<u>(375,454)</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Long-term Debt	-	-	335,000	335,000
Transfer In	-	-	-	-
Transfer (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>335,000</u>	<u>335,000</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>(116,623)</u>	<u>37,912</u>	<u>38,257</u>	<u>(40,454)</u>
<u>Fund Balance – Beginning of Year</u>	<u>589,215</u>	<u>271,127</u>	<u>-</u>	<u>860,342</u>
<u>Fund Balance – End of Year</u>	<u>\$ 472,592</u>	<u>\$ 309,039</u>	<u>\$ 38,257</u>	<u>\$ 819,888</u>

The Notes to the Financial Statements are an integral part of this statement.

Milton TownshipExhibit CCombined Statement of Revenues, Expenditures and Changes in Fund BalanceBudget and ActualGeneral Fund and Special Revenue FundFor the Year Ended March 31, 2004

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 233,838	\$ 416,061	\$ 182,223
State Grants	125,000	140,055	15,055
Charges for Services	3,200	29,052	25,852
Interest and Rents	31,000	14,330	(16,670)
Other	<u>3,000</u>	<u>9,204</u>	<u>6,204</u>
Total Revenues	<u>396,038</u>	<u>608,702</u>	<u>212,664</u>
<u>Expenditures</u>			
Legislative	32,900	58,382	(25,482)
General Government	157,735	147,510	10,225
Public Safety	133,914	150,959	(17,045)
Public Works	69,500	71,800	(2,300)
Recreation and Culture	110,147	189,877	(79,730)
Other	97,461	77,435	20,026
Debt Service	18,201	18,201	-
Capital Outlay	<u>6,100</u>	<u>11,161</u>	<u>(5,061)</u>
Total Expenditures	<u>625,958</u>	<u>725,325</u>	<u>(99,367)</u>
<u>Excess Revenues (Expenditures)</u>	<u>(229,920)</u>	<u>(116,623)</u>	<u>113,297</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from Long-term Debt	-	-	-
Transfer In	-	-	-
Transfer (Out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1) <u>\$ (229,920)</u>	<u>(116,623)</u>	<u>\$ 113,297</u>
<u>Fund Balance – Beginning of Year</u>		<u>589,215</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 472,592</u>	

(1) Budgeted from Fund Balance

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Special Revenues Funds			Capital Projects Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 187,938	\$ 201,418	\$ 13,480	\$ -	\$ -	\$ -
1,150	-	(1,150)	-	-	-
-	10,886	10,886	-	-	-
8,000	6,306	(1,694)	-	697	697
44,000	9,418	(34,582)	-	-	-
<u>241,088</u>	<u>228,028</u>	<u>(13,060)</u>	<u>-</u>	<u>697</u>	<u>697</u>
-	-	-	-	-	-
-	-	-	-	-	-
99,650	92,609	7,041	-	-	-
-	-	-	335,000	297,440	37,560
10,500	11,713	(1,213)	-	-	-
-	-	-	-	-	-
-	12,568	(12,568)	-	-	-
109,950	73,226	36,724	-	-	-
<u>220,100</u>	<u>190,116</u>	<u>29,984</u>	<u>335,000</u>	<u>297,440</u>	<u>37,560</u>
<u>20,988</u>	<u>37,912</u>	<u>16,924</u>	<u>(335,000)</u>	<u>(296,743)</u>	<u>38,257</u>
-	-	-	335,000	335,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	335,000	335,000	-
<u>\$ 20,988</u>	37,912	<u>\$ 16,924</u>	<u>\$ -</u>	38,257	<u>\$ 38,257</u>
	271,127			-	
	<u>\$ 309,039</u>			<u>\$ 38,257</u>	

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Milton Township is a general law township located in Antrim County, Michigan. Population as of the 2000 census was 2,072, and the current State equalized and taxable values are \$352,612,600 and \$202,015,617, respectively.

The Township's general purpose financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, *The Financial Reporting Entity* includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The financial activities of the Township are recorded in separate self-balancing funds and account groups, categorized and described as follows:

Governmental Funds

General Fund

This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds

These funds are used to account for specific revenue (other than special assessments and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Funds

These funds are used to account for the purchases and/or construction of capital facilities which are not accounted for by proprietary or trust funds.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Account Groups

General Fixed Assets – This account group presents the fixed assets of the Township utilized in its general operations (non-proprietary fixed assets).

General Long-Term Debt – This account group presents the general obligation long-term debt which is not recorded in proprietary or trust funds.

C. Basis of Accounting

All governmental and agency funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables when measurable and as revenue when available to finance current operations. Significant revenues susceptible to accrual include property taxes, expenditure reimbursement type grants, certain intergovernmental revenues and operating transfers. Expenditures are recorded when the liability is incurred, except for interest on long-term debt, which is recorded when paid.

D. Measurement Focus

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets

The General Fund, Special Revenue Funds, and Capital Projects Fund are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a function basis. The approved budgets for these funds were adopted to the activity or cost center level.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the application appropriation, is not utilized by the Township.

For budgetary purposes appropriations lapse at fiscal year end.

F. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain general fixed assets consisting of roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and lighting systems are excluded from general fixed assets because such items are immovable and of value only to the Township. General fixed assets are not subject to annual depreciation expense.

Fixed assets are recorded at historical cost. Donated fixed assets are valued and recorded at the fair market value at date of receipt.

G. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Tax Procedures and Collections (Continued)

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	<u>SEV</u>	<u>Taxable Value</u>	<u>Millage Rate</u>
General Operating	\$352,612,600	\$202,015,617	.9547
Fire Protection	\$352,612,600	\$202,015,617	1.0000
Roads	\$352,612,600	\$202,015,617	.1908
Ambulance	\$352,612,600	\$202,015,617	.1622

H. Total Column

The "total" columns on the combined financial statements are captioned "memo only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund transactions have not been eliminated in the aggregation of this data.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2004.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. For the year ended March 31, 2004, the following cost centers of the General Fund exceeded their expenditures budgets:

Township Board	\$	25,382
Township Hall	\$	10,187
Fire and Ambulance	\$	36,652
Public Works	\$	2,300
District Library	\$	86,364
Capital Outlay	\$	5,061
Parks	\$	29,746
Liquor Law Enforcement	\$	13

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) Repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) Obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued)

A. Legal Provisions for Deposits and Investments (Continued)

- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

B. Types of Deposits and Investments

The Township had \$872,304 deposited with Michigan financial institutions at March 31, 2004 with a carrying value of \$833,187 which reflects outstanding checks of \$39,117. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$693,087 of uninsured deposits at March 31, 2004.

NOTE 4 - STATEMENTS OF CHANGES IN GENERAL FIXED ASSETS

	Balance <u>3/31/03</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>3/31/04</u>
Land and Improvements	\$ 568,090	\$ -	\$ -	\$ 568,090
Buildings and Improvements	821,989	-	-	821,989
Machinery and Equipment	<u>857,089</u>	<u>84,387</u>	<u>-</u>	<u>941,476</u>
Total	<u>\$2,247,168</u>	<u>\$ 84,387</u>	<u>\$ -</u>	<u>\$2,331,555</u>

NOTE 5 - LONG-TERM DEBT

During a prior year, the Township constructed a new Township Hall which was financed with a contract with the local construction firm, in the amount of \$195,201. This installment contract was then sold by the contractor to a local bank. The contract provides annual payments of \$20,000, including interest at 5%. The remaining balance was paid off during the year.

In September 1998, the Township purchased a parcel of land on a land contract. The contract calls for annual payments of \$2,590, including interest at 5%. The parcel is part of the park.

In a prior fiscal year the Township constructed a new fire hall. In connection therewith, a promissory note for \$45,617 was given to the contractor as part of the construction contract. The contract calls for five annual payments of \$12,567, including interest at 4%. The construction contractor sold the contract to a bank.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 5 - LONG-TERM DEBT (Continued)

A summary of long-term debt principal maturities and interest requirements is as follows:

<u>Year Ending</u>	<u>Weathertop</u>	<u>Land Contract</u>	<u>Fire Hall</u>	<u>Total</u>
March 31, 2005	\$ 18,941	\$ 2,590	\$ 12,567	\$ 34,098
March 31, 2006	38,688	2,590	12,567	53,845
March 31, 2007	42,394	2,590	12,567	57,551
March 31, 2008	40,956	2,590	12,567	56,113
March 31, 2009	39,519	2,592	-	42,111
Thereafter	<u>307,275</u>	<u>-</u>	<u>-</u>	<u>307,275</u>
Total	487,773	12,952	50,268	550,993
Less Interest	<u>152,773</u>	<u>1,821</u>	<u>15,398</u>	<u>169,992</u>
	<u>\$ 335,000</u>	<u>\$ 11,131</u>	<u>\$ 34,870</u>	<u>\$ 381,001</u>

NOTE 6 - LOANS AND TRANSFERS BETWEEN FUNDS

There were no loans or transfers between funds during the year.

NOTE 7 - INVENTORIES

Milton Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses when purchased.

NOTE 8 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees under contract with the Manufacturers Life Insurance Company. Listed below is a summary of the significant plan provisions as amended by Board Resolution effective June 1, 2002:

A. Eligibility Requirements

1. Attained age of 18.
2. No minimum service requirement.
3. All elected officials and full-time employees, except firemen, and seasonal employees.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 8 - RETIREMENT PLAN (Continued)

B. Contributions

1. 10% of annual compensation funded annually.
2. Compensation determined by the basis annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

C. Vesting

1. Contributions are vested to the employee immediately upon entering the plan.

D. Plan Administration

1. The plan is administered by the Township Supervisor and Clerk. During the year March 31, 2004, the total contribution for the plan year, June 1, 2003 to May 31, 2004, was \$15,715. Covered payroll for the year was \$157,150 with total payroll for all employees of \$191,972. The plan was funded at the required contribution amount.

NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

Taxes Receivable – Delinquent of \$21,329 represent 2003 property taxes and fees returned delinquent to the County Treasurer as of March 1, 2004. These receivables are offset by deferred revenue, since the Township does not recognize the revenue until collections are received from the County. The foregoing amounts are not available for expenditures or obligations of the audit year.

NOTE 10 - PROPERTY TAX ADMINISTRATION FEES

As permitted by statute, Milton Township levied a 1% administration fee on all 2002 property taxes. This fee may be used only for such property tax administration costs as assessing, collecting, and the review and appeal process. The Township has an accumulated excess of expenses over revenues of \$39,502 at March 31, 2004 which reflects compliance with statutory requirements.

NOTE 11 - CONTINGENT LIABILITIES

Township officials are not aware of any contingent liabilities on the part of the Township.

Tobin & Co.

Milton Township

Notes to Financial Statements

March 31, 2004

NOTE 12- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

NOTE 13 - COMPENSATED ABSENCES

The Township does not have a policy for employees to earn vacation, sick, or personal leave days. Therefore, the Township has no liability in regard to compensating employees for such days.

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Milton Township

Schedule 1

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes:			
Current Property Taxes – General	\$ 174,216	\$ 182,692	\$ 131,418
Current Property Taxes – Ambulance	-	36,601	-
Current Property Taxes – Library	-	86,341	-
Current Property Taxes – Roads	31,586	31,114	(472)
Delinquent Property Taxes	11,729	22,815	11,086
Property Tax Administration Fees	16,307	56,498	40,191
Grants:			
State Shared Revenues	125,000	140,055	15,055
Charges for Services:			
Zoning Fees	2,000	2,400	400
Sales	1,200	2,071	871
Cable TV Franchise Fees	-	13,707	13,707
Summer Tax Collection Fee	-	10,874	10,874
Interest and Rents:			
Earned Interest	16,000	12,610	(3,390)
Rents and Royalties	15,000	1,720	(13,280)
Other:			
Refunds, Reimbursements and Misc.	-	3,737	3,737
Licenses and Permits	3,000	3,245	245
Donations	-	2,222	2,222
Total Revenues	<u>396,038</u>	<u>608,702</u>	<u>212,664</u>
<u>Expenditures</u>			
Legislative:			
Township Board:			
Salaries and Wages	-	5,215	-
Legal and Audit Services	-	8,915	-
Supplies	-	2,265	-
Contracted Services	-	34,177	-
Printing and Advertising	-	2,722	-
Memberships	-	3,384	-
Education	-	-	-
Miscellaneous	-	1,704	-
Total Legislative	<u>32,900</u>	<u>58,382</u>	<u>(25,482)</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 1

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General Government:			
Township Supervisor:			
Salaries and Wages	-	19,593	-
Supplies	-	498	-
Education and Mileage	-	216	-
Total	<u>22,400</u>	<u>20,307</u>	<u>2,093</u>
Elections:			
Salaries and Wages	-	1,080	-
Supplies	-	245	-
Education and Mileage	-	17	-
Printing and Miscellaneous	-	475	-
Total	<u>2,425</u>	<u>1,817</u>	<u>608</u>
Assessor:			
Salaries and Wages	-	30,010	-
Data Processing	-	2,997	-
Education	-	545	-
Supplies and Miscellaneous	-	125	-
Total	<u>40,500</u>	<u>33,677</u>	<u>6,823</u>
Clerk:			
Salaries and Wages	-	17,750	-
Salaries and Wages - Deputy	-	3,088	-
Supplies	-	394	-
Contracts	-	281	-
Education and Travel	-	396	-
Miscellaneous	-	377	-
Total	<u>25,600</u>	<u>22,286</u>	<u>3,314</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 1

Page 3

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government:			
Board of Review:			
Salaries and Wages	-	850	-
Supplies	-	-	-
Travel	-	33	-
Education and Miscellaneous	-	431	-
Total	<u>1,360</u>	<u>1,314</u>	<u>46</u>
Treasurer:			
Salaries and Wages	-	23,650	-
Salaries and Wages - Deputy	-	2,025	-
Supplies and Postage	-	4,714	-
Data Processing and Publishing	-	2,698	-
Education and Miscellaneous	-	50	-
Total	<u>37,250</u>	<u>33,137</u>	<u>4,113</u>
Township Hall and Grounds:			
Salaries and Wages	-	1,200	-
Supplies and Miscellaneous	-	1,713	-
Public Utilities	-	3,267	-
Maintenance and Repairs	-	11,907	-
Total	<u>7,900</u>	<u>18,087</u>	<u>(10,187)</u>
Township Hall – New Office			
Salaries and Wages	-	1,920	-
Supplies	-	4,179	-
Contracted Services	-	-	-
Utilities	-	2,563	-
Maintenance and Repairs	-	2,367	-
Telephone	-	2,776	-
Total	<u>14,800</u>	<u>13,805</u>	<u>995</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 1

Page 4

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Cemetery:			
Salaries and Wages	-	3,000	-
Supplies and Maintenance	-	80	-
Total	<u>5,500</u>	<u>3,080</u>	<u>2,420</u>
Total General Government	<u>157,735</u>	<u>147,510</u>	<u>10,225</u>
Public Safety:			
Fire and Ambulance:			
Contractual Services - Ambulance	<u>37,164</u>	<u>73,746</u>	<u>(36,582)</u>
Total	<u>37,164</u>	<u>73,746</u>	<u>(36,582)</u>
Planning and Zoning:			
Salaries and Wages	-	42,983	-
Supplies	-	1,803	-
Legal Services	-	23,220	-
Consultants	-	4,153	-
Mileage and Travel	-	165	-
Printing, Advertising, Maps	-	1,113	-
Education and Miscellaneous	-	3,776	-
Total	<u>96,750</u>	<u>77,213</u>	<u>19,537</u>
Total Public Safety	<u>133,914</u>	<u>150,959</u>	<u>(17,045)</u>
Public Works:			
Roads	47,000	45,052	1,948
Street Lighting	2,500	1,838	662
Trash Disposal	<u>20,000</u>	<u>24,910</u>	<u>(4,910)</u>
Total Public Works	<u>69,500</u>	<u>71,800</u>	<u>(2,300)</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 1
Page 5

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Recreation and Culture:			
Parks and Recreation:			
Salaries and Wages	-	14,333	-
Supplies	-	1,134	-
Repairs and Maintenance	-	2,399	-
Miscellaneous	-	-	-
Total Parks and Recreation	<u>24,500</u>	<u>17,866</u>	<u>6,634</u>
District Library	<u>85,647</u>	<u>172,011</u>	<u>(86,364)</u>
Total Recreation and Culture	<u>110,147</u>	<u>189,877</u>	<u>(79,730)</u>
Other Functions:			
Payroll Taxes	-	14,038	-
Debt Payment	-	18,201	-
Insurance and Bonds	-	47,497	-
Employee Benefits	-	15,900	-
Contingency	-	-	-
Total Other Functions	<u>115,662</u>	<u>95,636</u>	<u>20,026</u>
Capital Outlay	<u>6,100</u>	<u>11,161</u>	<u>(5,061)</u>
Total Expenditures	<u>625,958</u>	<u>725,325</u>	<u>(99,367)</u>
<u>Excess Revenues (Expenditures)</u>	<u>(229,920)</u>	<u>(116,623)</u>	<u>113,297</u>
Other Financing Sources (Uses)			
Transfer In	-	-	-
Transfer (Out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ (229,920)</u>	<u>(116,623)</u>	<u>\$ 113,297</u>
<u>Fund Balance – Beginning of Year</u>		<u>589,215</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 472,592</u>	

The Notes to the Financial Statements are an integral part of this statement.

Milton TownshipSchedule 2Combining Balance SheetAll Special Revenue FundsMarch 31, 2004

	<u>Fire Fund</u>	<u>Liquor Law Enforcement Fund</u>	<u>Park Fund</u>
<u>Assets</u>			
Cash in Bank	\$ 299,010	\$ 6,398	\$ 3,631
Taxes Receivable – Delinquent	<u>9,562</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 308,572</u>	<u>\$ 6,398</u>	<u>\$ 3,631</u>
<u>Liabilities and Fund Equity</u>			
Liabilities:			
Deferred Revenue	<u>\$ 9,562</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>9,562</u>	<u>-</u>	<u>-</u>
Fund Equity:			
Fund Balance	<u>299,010</u>	<u>6,398</u>	<u>3,631</u>
Total Fund Equity	<u>299,010</u>	<u>6,398</u>	<u>3,631</u>
Total Liabilities and Fund Equity	<u>\$ 308,572</u>	<u>\$ 6,398</u>	<u>\$ 3,631</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Totals

\$ 309,039
9,562

\$ 318,601

\$ 9,562

9,562

309,039

309,039

\$ 318,601

Milton TownshipSchedule 3Combined Statements of Revenues, Expenditures and Changes In Fund BalanceAll Special Revenue FundsFor the Year Ended March 31, 2004

	<u>Fire Fund</u>	<u>Liquor Law Enforcement Fund</u>	<u>Park Fund</u>
<u>Revenues</u>			
Taxes	\$ 201,418	\$ -	\$ -
Cable TV Franchise Fee	-	-	10,886
Interest and Rents	6,306	-	-
Other	<u>5,409</u>	<u>1,179</u>	<u>2,830</u>
Total Revenues	<u>213,133</u>	<u>1,179</u>	<u>13,716</u>
<u>Expenditures</u>			
Public Safety	125,757	1,163	-
Recreation and Cultural	<u>-</u>	<u>-</u>	<u>63,196</u>
Total Expenditures	<u>125,757</u>	<u>1,163</u>	<u>63,196</u>
<u>Excess Revenues (Expenditures)</u>	<u>87,376</u>	<u>16</u>	<u>(49,480)</u>
<u>Other Financing Sources (Uses)</u>			
Transfer In	-	-	-
Transfer (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>87,376</u>	<u>16</u>	<u>(49,480)</u>
<u>Fund Balance</u> – Beginning of Year	<u>211,634</u>	<u>6,382</u>	<u>53,111</u>
<u>Fund Balance</u> – End of Year	<u>\$ 299,010</u>	<u>\$ 6,398</u>	<u>\$ 3,631</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Totals

\$ 201,418
10,886
6,306
9,418

228,028

126,920
63,196

190,116

37,912

-

-

-

37,912

271,127

\$ 309,039

Tobin & Co.

Milton Township

Schedule 4

Statement of Revenues, Expenditures and Changes in Fund Balance

Fire Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes:			
Current Property Taxes	\$ 176,086	\$ 189,805	\$ 13,719
Delinquent Property Taxes	11,852	11,613	(239)
Interest and Rents:			
Earned Interest	8,000	6,306	(1,694)
Other:			
Miscellaneous	-	5,409	5,409
Total	<u>195,938</u>	<u>213,133</u>	<u>17,195</u>
<u>Expenditures</u>			
Salaries and Wages	27,500	24,194	3,306
Payroll Taxes	1,200	1,853	(653)
Contracts	3,500	1,355	2,145
Telephone	1,000	1,641	(641)
Professional Fees	500	125	375
Insurance	11,000	7,488	3,512
Public Utilities	6,000	7,283	(1,283)
Supplies	4,000	5,783	(1,783)
Training	5,500	640	4,860
Maintenance and Repairs	12,000	21,907	(9,907)
Capital Outlay	87,000	21,743	65,257
Debt Service	12,600	12,568	32
Contingency	10,000	-	10,000
Other	16,300	19,177	(2,877)
Total	<u>198,100</u>	<u>125,757</u>	<u>72,343</u>
<u>Excess Revenues (Expenditures)</u>	<u>(2,162)</u>	<u>87,376</u>	<u>89,538</u>
<u>Other Financing Sources (Uses)</u>			
Transfer In	-	-	-
Transfer (Out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1) <u>\$ (2,162)</u>	87,376	<u>\$ 89,538</u>
<u>Fund Balance – Beginning of Year</u>		<u>211,634</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 299,010</u>	

(1) Budgeted from Fund Balance

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 5

Statement of Revenues, Expenditures and Changes in Fund Balance

Liquor Law Enforcement Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenue</u>			
Liquor License Receipts	\$ 1,150	\$ 1,179	\$ 29
Total	<u>1,150</u>	<u>1,179</u>	<u>29</u>
<u>Expenditures</u>			
Salaries and Wages – Inspectors	1,080	1,080	-
Payroll Taxes	<u>70</u>	<u>83</u>	<u>(13)</u>
Total	<u>1,150</u>	<u>1,163</u>	<u>(13)</u>
<u>Excess Revenues (Expenditures)</u>	<u>-</u>	<u>16</u>	<u>16</u>
<u>Other Financing Sources (Uses)</u>			
Transfer In	-	-	-
Transfer (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>16</u>	<u>\$ 16</u>
<u>Fund Balance – Beginning of Year</u>		<u>6,382</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 6,398</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 6

Statement of Revenues, Expenditures and Changes in Fund Balance

Park Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Contributions	\$ 44,000	\$ 1,330	\$ (42,670)
Cable TV Franchise Fees	-	10,886	10,886
Miscellaneous	-	1,500	1,500
Total Revenues	<u>44,000</u>	<u>13,716</u>	<u>(30,284)</u>
<u>Expenditures</u>			
Professional Fees	7,000	50	6,950
Supplies	2,000	4,355	(2,355)
Contracted Services	-	468	(468)
Utilities	500	3,040	(2,540)
Maintenance and Repairs	1,000	3,800	(2,800)
Capital Outlay	<u>22,950</u>	<u>51,483</u>	<u>(28,533)</u>
Total Expenditures	<u>33,450</u>	<u>63,196</u>	<u>(29,746)</u>
<u>Excess Revenues (Expenditures)</u>	<u>10,550</u>	<u>(49,480)</u>	<u>(60,030)</u>
<u>Other Financing Sources (Uses)</u>			
Transfer In	-	-	-
Transfer (Out)	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 10,550</u>	<u>(49,480)</u>	<u>\$ (60,030)</u>
<u>Fund Balance</u> -- Beginning of Year		<u>53,111</u>	
<u>Fund Balance</u> -- End of Year		<u>\$ 3,631</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 7

Statement of Revenues, Expenditures and Changes in Fund Balance

Capital Projects Fund

Weatherstop Road Special Assessment

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenue</u>			
Earned Interest	\$ -	\$ 697	\$ 697
Total	-	697	697
<u>Expenditures</u>			
Road Improvements	335,000	297,440	37,560
Total	335,000	297,440	37,560
<u>Excess Revenues (Expenditures)</u>	<u>(335,000)</u>	<u>(296,743)</u>	<u>38,257</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from Long-term Debt	335,000	335,000	-
Transfer In	-	-	-
Transfer (Out)	-	-	-
Total Other Financing Sources (Uses)	335,000	335,000	-
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>38,257</u>	<u>\$ 38,257</u>
<u>Fund Balance</u> – Beginning of Year		-	
<u>Fund Balance</u> – End of Year		<u>\$ 38,257</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 8

Combining Statement of Changes in Assets and Liabilities

All Agency Funds – Current Tax collections

For the Year Ended March 31, 2004

	<u>Balance</u> <u>3/31/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>3/31/04</u>
<u>Assets</u>				
Cash in Bank	\$ 39,129	\$ 5,557,609	\$ 5,584,248	\$ 12,490
Total Assets	<u>\$ 39,129</u>	<u>\$ 5,557,609</u>	<u>\$ 5,584,248</u>	<u>\$ 12,490</u>
<u>Liabilities</u>				
Undistributed Taxes, and Interest	\$ 39,129	\$ 5,557,609	\$ 5,584,248	\$ 12,490
Total Liabilities	<u>\$ 39,129</u>	<u>\$ 5,557,609</u>	<u>\$ 5,584,248</u>	<u>\$ 12,490</u>

The Notes to the Financial Statements are an integral part of this system.

Tobin & Co.

Milton Township

Schedule 9

2003 Property Tax Levy and Collections

For the Year Ended March 31, 2004

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County Tax	5.1467	\$ 1,039,128	\$ 987,613	\$ 51,515
Commission on Aging	0.3811	76,933	73,119	3,814
Medical Care Facility	0.6900	139,301	132,396	6,905
School District Tax	20.6700	2,314,498	2,229,974	84,524
State Education Tax	5.0000	1,009,517	972,369	37,148
Intermediate School District	2.9929	604,254	582,019	22,235
District Library	0.4500	90,845	86,341	4,504
Township Taxes:				
General	0.9547	192,746	183,190	9,556
Fire Protection	1.0000	199,345	189,783	9,562
Ambulance	0.1908	38,510	36,601	1,909
Roads	0.1622	32,736	31,114	1,622
Administration Fee		<u>55,301</u>	<u>53,090</u>	<u>2,211</u>
Total		<u>\$ 5,793,114</u>	<u>\$ 5,557,609</u>	<u>\$ 235,505</u>
State Equalized Value		\$352,612,600		
Taxable Value		\$202,015,617		
Percent of Levy Collected		95.93%		

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Milton Township

Schedule 10

Statement of Revenues and Expenditures

Property Tax Administration Fees

For the Year Ended March 31, 2004

Revenues

Property Tax Administration Fees	\$ 56,498
Total Revenues	<u>56,498</u>

Expenditures

Assessor Expense (100%)	33,677
Board of Review Expense (100%)	1,314
Treasurer Expense (75% of Salary and Deputy)	19,256
Postage, Supplies, Tax Bills	7,412
Insurance (10%)	4,750
Utilities	1,200
Use of Building and Equipment	3,000
Fringe Benefits (10%)	<u>1,590</u>
Total Expenditures	<u>72,199</u>
<u>Excess Revenues (Expenditures)</u>	(15,701)
<u>Accumulated Excess Revenues (Expenditures) – Prior Year</u>	<u>(23,801)</u>
<u>Accumulated Excess Revenues (Expenditures) – Accumulated</u>	<u>\$ (39,502)</u>

The Notes to the Financial Statements are an integral part of this statement.